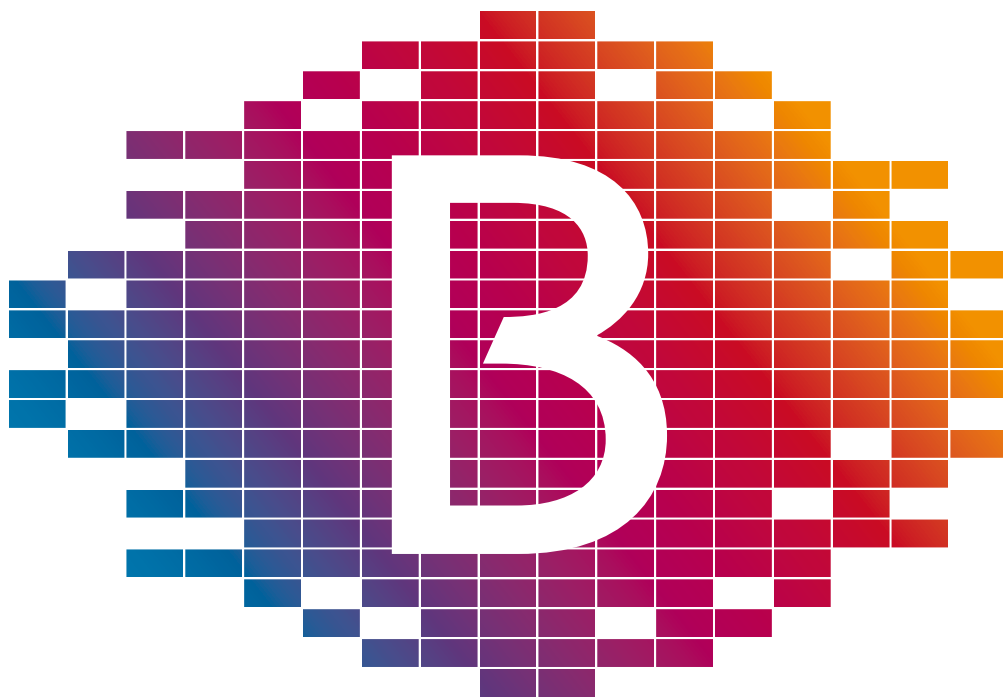


# **EXHIBIT R**



# Annual Report 2021

**BERTELSMANN**

## Revenues by Division

in € millions	2021			2020		
	Germany	International	Total	Germany	International	Total
RTL Group	2,248	4,389	6,637	1,958	4,059	6,017
Penguin Random House	281	3,749	4,030	277	3,525	3,802
Gruner + Jahr	753	298	1,051	769	366	1,135
BMG	40	623	663	46	556	602
Arvato	1,851	3,184	5,035	1,666	2,716	4,382
Bertelsmann Printing Group	787	532	1,319	833	529	1,362
Bertelsmann Education Group	3	280	283	2	299	301
Bertelsmann Investments	2	6	8	4	8	12
Total divisional revenues	5,965	13,061	19,026	5,555	12,058	17,613
Corporate/Consolidation	(245)	(85)	(330)	(221)	(103)	(324)
Continuing operations	5,720	12,976	18,696	5,334	11,955	17,289

due to portfolio and exchange-rate adjustments. Organic growth was 6.4 percent. The investments of Bertelsmann Investments are generally not consolidated, so revenue is not usually reported for this division.

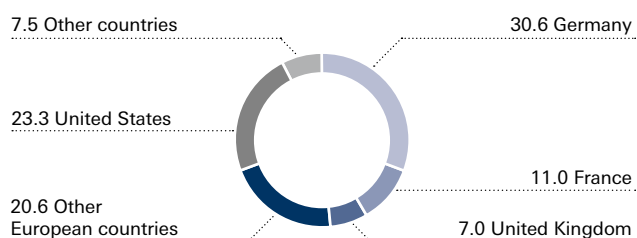
There were slight changes in the geographical breakdown of revenues compared to the previous year. The share of revenues generated in Germany was 30.6 percent compared to 30.9 percent in the previous year. The revenue share generated by France amounted to 11.0 percent (previous year: 11.9 percent). In the United Kingdom, the revenue share was 7.0 percent (previous year: 6.5 percent). The share of total revenues generated by the other European countries was 20.6 percent, compared to 19.3 percent in the previous year. The revenue share generated by the United States was 23.3 percent (previous year: 24.8 percent), and the other countries achieved a revenue share of 7.5 percent (previous year: 6.6 percent). This means that the share of total revenues generated by foreign business rose slightly to 69.4 percent (previous year: 69.1 percent). Year on year, there was a slight change in the ratio of the four revenue sources (own products and merchandise, services, advertising, rights and licenses) to overall revenue.

## Operating EBITDA

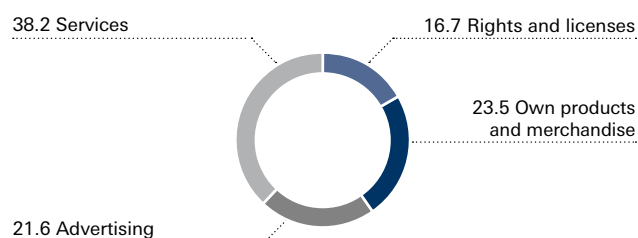
Bertelsmann achieved a record operating EBITDA of €3,241 million in the financial year 2021 (previous year: €3,143 million). The previous-year period included high capital gains from real-estate transactions. Despite that, the Group recorded a 3.1 percent increase in earnings. Strong earnings growth in the TV and production business, in the book publishing business as well as in the service businesses of Majorel and Arvato Supply Chain Solutions more than offset ongoing expenditure on expanding the streaming area at RTL Group. At 17.3 percent, the EBITDA margin reached a high level once again (previous year: 18.2 percent).

Operating EBITDA at RTL Group improved on the previous year, rising 24.1 percent to €1,361 million (previous year: €1,097 million). This rise was primarily driven by a strong recovery in the TV advertising markets and positive business performance by Fremantle's global content production business. Operating EBITDA at Penguin Random House rose by 9.2 percent to €755 million (previous year: €691 million), thanks in particular to continued growth in the US business as well as the sustained growth in audio. Operating EBITDA

### Consolidated Revenues by Region in percent



### Consolidated Revenues by Category in percent



## Results Breakdown

in € millions	2021	2020
Operating EBITDA by division		
RTL Group	1,361	1,097
Penguin Random House	755	691
Gruner + Jahr	134	127
BMG	144	137
Arvato	825	662
Bertelsmann Printing Group	60	55
Bertelsmann Education Group	86	89
Bertelsmann Investments	(11)	(10)
Total operating EBITDA by division	3,354	2,848
Corporate/Consolidation	(113)	295
Operating EBITDA	3,241	3,143
Amortization/depreciation, impairments/reversals of impairment losses on intangible assets and property, plant and equipment not included in special items	(880)	(918)
Special items	963	51
EBIT (earnings before interest and taxes)	3,324	2,276
Financial result	(352)	(339)
Earnings before taxes	2,972	1,937
Income tax expense	(662)	(478)
Group profit or loss	2,310	1,459
attributable to: Earnings attributable to Bertelsmann shareholders	1,800	1,152
attributable to: Earnings attributable to non-controlling interests	510	307

at Gruner + Jahr was 5.9 percent higher at €134 million (previous year: €127 million). The AppLike Group as well as the advertising and sales business in particular recorded a positive earnings performance. At BMG, operating EBITDA grew 5.4 percent to €144 million (previous year: €137 million) as the company profited from continued strong growth in music streaming. Arvato recorded an operating EBITDA of €825 million (previous year: €662 million). This increase of 24.6 percent primarily reflects continued strong earnings growth at the customer experience company Majorel and in the Supply Chain Solutions business area. Operating EBITDA at Bertelsmann Printing Group rose 9.7 percent to €60 million (previous year: €55 million). At Bertelsmann Education Group, operating EBITDA was down 2.6 percent to €86 million (previous year: €89 million) primarily as a result of exchange rate effects. The investments of Bertelsmann Investments are generally not consolidated, so operating earnings are not usually reported for this division.

### Special Items

Special items in the financial year 2021 totaled €963 million compared to €51 million in the previous year. They consist of impairments or reversals of impairment losses on investments accounted for using the equity method amounting to €2 million (previous year: €-62 million), impairments on other financial assets at amortized cost amounting to

€-1 million (previous year: €-26 million), adjustments of the carrying amounts of assets held for sale amounting to €-6 million (previous year: –), results from disposals of investments amounting to €786 million (previous year: €410 million), fair value measurement of investments of €483 million (previous year: €59 million), as well as restructuring expenses and other special items totaling €-301 million (previous year: €-214 million). During the reporting period, there were no impairments on goodwill and other intangible assets with indefinite useful lives, compared with €-116 million in the previous year. The strong increase in results from disposals of investments is particularly due to the disposal of SpotX. The increase in the fair value measurement of investments is particularly due to companies in the Bertelsmann Investments portfolio.

### EBIT

EBIT amounted to €3,324 million in the financial year 2021 (previous year: €2,276 million) after adjusting operating EBITDA for special items totaling €963 million (previous year: €51 million) and amortization, depreciation, impairments and reversals of impairment losses on intangible assets, property, plant and equipment and right-of-use assets totaling €-880 million (previous year: €-918 million), which were not included in the special items.

## Penguin Random House

Penguin Random House increased its revenues and operating result in 2021, thanks to numerous successful new releases, robust backlist sales and continued high demand for digital audiobooks. Penguin Random House generated €4.0 billion in revenues during the reporting year, up 6.0 percent from the previous year's €3.8 billion. Operating EBITDA rose 9.2 percent to €755 million (previous year: €691 million). The EBITDA margin increased to 18.7 percent (previous year: 18.2 percent).

The year's best-selling books included backlist titles such as "Atomic Habits" by James Clear, with more than 3.5 million copies sold by its English-language and German publishers across all formats, "Greenlights" by Matthew McConaughey, which sold nearly two million additional copies in print, e-book and audiobook, and "A Promised Land," the first volume of Barack Obama's presidential memoirs. The most popular new publications included "How to Avoid a Climate Disaster" by Bill Gates and three volumes of poetry by Amanda Gorman, which together sold more than one million copies following the poet's high-profile reading at the inauguration of US President Joe Biden.

Penguin Random House publishers each placed numerous titles on the bestseller lists of the "New York Times" in the United States, the "Sunday Times" in the United Kingdom and "Spiegel" in Germany. The publishing group established new publishing imprints in several markets.

In May, the UK Competition and Markets Authority (CMA) approved Penguin Random House's proposed acquisition of Simon & Schuster; a US Department of Justice challenge to the deal is scheduled to be heard in the US federal court during the financial year 2022.

The book group continued its investments in distribution and fulfillment logistics in 2021. This enabled Penguin Random House to meet rising demand for its titles despite significant pandemic-related production and delivery bottlenecks, while at the same time offering more efficient delivery times to book retailers. Penguin Random House also advanced the capturing of consumer data in order to expand its direct-to-consumer marketing.

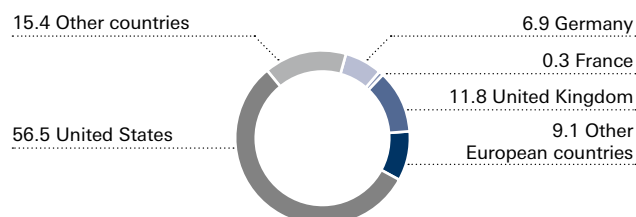
Penguin Random House US enjoyed a successful publishing and business year. Its biggest bestseller was "Atomic Habits" by James Clear, published in 2018; new releases such as "The Judge's List" by John Grisham, "The 1619 Project" created by Nikole Hannah-Jones and the New York Times Magazine, and "Go Tell the Bees That I Am Gone" by Diana Gabaldon also achieved high sales.

In the British book market, Penguin Random House UK was successful with titles such as "The Thursday Murder Club" and "The Man Who Died Twice" by Richard Osman,

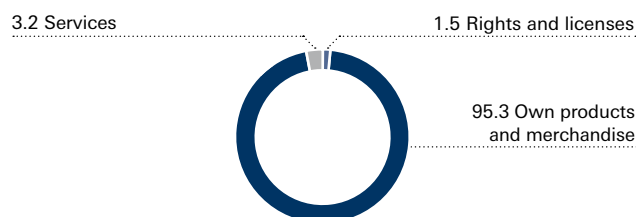
"The Very Hungry Caterpillar" by Eric Carle and, again, "Atomic Habits" by James Clear. Penguin Random House Grupo Editorial benefited from continued growth in online sales and a strong backlist catalog. Top titles included "El Italiano" by Arturo Pérez-Reverte and "De Ninguna Parte" by Julia Navarro. The Spanish-language publishing group founded Penguin Kids, and also strengthened its position in the children's and young adult book segment with the acquisition of the Molino publishing house. It merged its Portuguese publishing activities with Editora 20/20 to form the new Penguin Random House Grupo Editorial Portugal.

In the German-speaking countries, Penguin Random House Verlagsgruppe maintained its leading market position; online sales in particular increased. Best-selling titles in their respective categories were "Über Menschen" by Juli Zeh (fiction hardcover), "Das Kind in Dir muss Heimat finden" by Stefanie Stahl (nonfiction paperback) and "Der Gesang der Flusskrebse" by Delia Owens (fiction paperback).

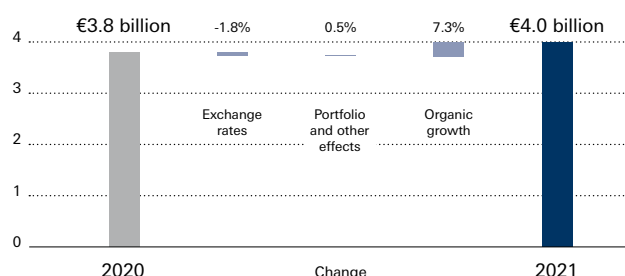
### Revenues by Region in percent (without intercompany revenues)



### Revenues by Category in percent



### Revenue Breakdown



## Notes

## Segment Information

	RTL Group		Penguin Random House		Gruner + Jahr		BMG		Arvato	
in € millions	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues from external customers	6,533	5,939	4,029	3,801	1,032	1,102	661	599	4,960	4,315
Intersegment revenues	104	78	1	1	19	33	2	3	75	67
Divisional revenues	6,637	6,017	4,030	3,802	1,051	1,135	663	602	5,035	4,382
Operating EBITDA	1,361	1,097	755	691	134	127	144	137	825	662
EBITDA margin <sup>1)</sup>	20.5%	18.2%	18.7%	18.2%	12.7%	11.2%	21.7%	22.7%	16.4%	15.1%
Impairment (-)/reversals (+) on intangible assets, property, plant and equipment and right-of-use assets	(1)	(16)	(5)	–	–	(77)	–	(1)	(19)	(12)
Results from investments accounted for using the equity method	27	32	7	2	14	4	–	–	9	11
Impairment (-)/reversals (+) on investments accounted for using the equity method	2	(62)	–	–	–	–	–	–	–	–
Invested capital	6,851	6,547	2,605	2,326	341	474	1,969	1,801	1,910	1,785

Further details on segment reporting are presented in note 27 "Segment Reporting."

1) Operating EBITDA as a percentage of revenues.

2) The business development of Bertelsmann Investments is presented primarily on the basis of EBIT. EBIT amounted to €316 million (previous year: €1 million).

## Reconciliation to Operating EBITDA

in € millions	2021	2020
EBIT (earnings before interest and taxes)	3,324	2,276
Less special items		
Impairment on goodwill and other intangible assets with indefinite useful life as well as gains from business combinations	–	(116)
Adjustment to carrying amounts on assets held for sale	(6)	–
Impairment (-)/reversals (+) on other financial assets at amortized cost	(1)	(26)
Impairment (-)/reversals (+) on investments accounted for using the equity method	2	(62)
Results from disposals of investments	786	410
Fair value measurement of investments	483	59
Restructuring and other special items	(301)	(214)
Less amortization/depreciation, impairment and reversals on intangible assets, property, plant and equipment and right-of-use assets	(909)	(1,040)
Less adjustments on amortization/depreciation, impairment and reversals on intangible assets, property, plant and equipment and right-of-use assets included in special items	29	122
Operating EBITDA	3,241	3,143